## BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF	)	
CARRIZO OIL AND GAS, INC., FOR AN	)	
ORDER ALLOWING UP TO SIX	)	Cause No.
HORIZONTAL WELLS IN EACH OF THREE	)	
640-ACRE DRILLING AND SPACING UNITS	)	Docket No.
FOR THE NIOBRARA FORMATION	)	
LOCATED IN SECTIONS 25, 26, AND 35,	)	
TOWNSHIP 8 NORTH, RANGE 60 WEST IN	)	
WELD COUNTY, COLORADO	)	

#### <u>APPLICATION</u>

Carrizo Oil and Gas, Inc. ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order authorizing a total of up to six horizontal wells in each of the following-described 640-acre drilling and spacing units:

Township 8 North, Range 60 West, 6<sup>th</sup> P.M. Section 25: All ("DSU #1")

Township 8 North, Range 60 West, 6<sup>th</sup> P.M. Section 26: All ("DSU #2")

Township 8 North, Range 60 West, 6<sup>th</sup> P.M. Section 35: All ("DSU #3")

Weld County, Colorado (together the "Application Lands").

In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado and is an operator in good standing with the Commission.
  - 2. Applicant owns substantial leasehold interests in the Application Lands.
- 3. On September 19, 2011, the Commission entered Order No. 535-70, which among other things, established two approximate 640-acre drilling and spacing units for certain lands, and approved up to two horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. This Order applies to DSU #1.

- 4. On October 31, 2011, the Commission entered Order No. 535-91, which among other things, established two approximate 640-acre drilling and spacing units for certain lands, including Application Lands, and authorized up to two horizontal wells within each unit, for development and production of oil, gas and related hydrocarbons from the Niobrara Formation. This Order applies to DSU #2 and DSU #3.
- 5. On July 9, 2012, the Commission entered Order No. 535-188, which, among other things, pooled all interests in an approximate 640-acre drilling and spacing unit for the development and operation of the Niobrara Formation. This Order applies to DSU #1.
- 6. On July 9, 2012, the Commission entered Order No. 535-189, which, among other things, pooled all interests in an approximate 640-acre drilling and spacing unit for the development and operation of the Niobrara Formation. This Order applies to DSU #2.
- 7. On July 9, 2012, the Commission entered Order No. 535-187, which, among other things, pooled all interests in an approximate 640-acre drilling and spacing unit for the development and operation of the Niobrara Formation. This Order applies to DSU #3.
- 8. On November 15, 2012, the Commission issued Order No. 535-219 which, among other things, authorized up to four horizontal wells in each of three approximate 640-acre drilling and spacing units, with the treated interval of each horizontal wellbore to be no closer than 600 feet from the unit boundaries, and separated by a minimum of 600 feet from the treated interval of any other wellbore located in the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. This Order applies to DSU #1, DSU #2, and DSU #3.
- 9. Applicant requests that a total of up to six horizontal wells be authorized for production of oil, gas and associated hydrocarbons from the Niobrara Formation in each DSU #1, DSU #2, and DSU #3.
- 10. Applicant asserts that additional wells are necessary to prevent waste, protect correlative rights, and to assure the maximum efficient recovery of oil, gas and associated hydrocarbons from the Niobrara Formation on the Application Lands.
- 11. The names and addresses of the interested parties to this Application are set forth in <u>Exhibit A</u>, and the undersigned certifies that copies of this Application shall be served on each interested party as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, notice be given as required by law and that upon such hearing this Commission enter its order:

- A. Authorizing a total of up to six horizontal wells in each DSU #1, DSU #2, and DSU #3 for production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- B. For such other findings and orders as the Commission may deem proper or advisable in the matter.

Dated: January <u>23</u>, 2013

Kenneth A. Wonstolen
Elizabeth Y. Gallaway
Kenneth E. Warner
Beatty & Wozniak, P.C.
216 Sixteenth Street-Suite 1100
Denver, CO 80202-5115

Address of Applicant
Carrizo Oil & Gas, Inc.
ATTN: Craig Wiest
1000 Louisiana Street, Suite 1500
Houston, TX 77002

### **VERIFICATION**

STATE OF COLORADO	SS.
CITY AND COUNTY OF DENVER	
that he is a Land Manager for Carrizo Oil	first duly sworn upon oath, deposes and says & Gas, Inc. and that he has read the foregoing contained are true to the best of his knowledge,  Craig Wiest
Subscribed and sworn to before m	ne this <u>a3^</u> day of January, 2013.
Witness my hand and official seal.  My commission exames:	Jerson Africa

Notary Public

#### Exhibit A

#### Interested Parties

Douglas Thomas PO Box 370 Kersey, CO 80644

Noble Energy WYCO, LLC/ Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202

SKV, LLC P.O. Box 300687 Denver, CO 80218

The Board of County Commissioners of Weld County 1150 O St. P.O. Box 758 Greeley, CO 80632

Orlene Stockstill 3520 98th St. NE Seattle, WA 98115

Sue J. Cook 126 East La Soledad Green Valley, AZ 85614

Leah S. Hergenreder 3007 High Drive Evans, CO 80620

Oil and Gas Title Holding Corp. 5 East 59th St, 5th floor New York, NY 10022

Mile High Oil & Gas, Inc. P.O. Box 27296 Denver, CO 80202

Diversified Operating Corporation 15000 W. 6th Ave, #102 Golden, CO 80401

TAK Mountain, LLC 1600 Broadway, Suite 1525 Denver, CO 80202

Rincones Two, LLC¬ 2000 Yaupon Valley Road Austin, TX 78746

LHB Niobrara, LLC P.O. Box 46063 Denver, CO 80201-6063 Pidgeon Cay 4, LLC 460 S. Marion Pkwy. #1856B Denver, CO 80209

The Betty B Ladmer Trust, dated November 4, 1997

Trustees; Vicki Lynn Bagley and Teri Sue Levine
201 S Hudson St
Denver, CO 80222

Ward Petroleum Corp. 502 South Fillmore Enid, OK 73702

Chesapeake Exploration, LLC P.O. Box 18496 Oklahoma City, OK 73154

Denver Basin Oil & Gas, LLC P.O. Box 18288 Denver, CO 80218

Terry Edgar 1801 N. Rio Yaqui Green Valley, AZ 85614

J and M Redman Trust dated March 5, 1996 13677 Omega Circle Littleton, CO 80124

Terry J. Cammon 10455 W. 73rd Place Arvada. CO 80005

H.A. Kugeler, Jr. 10251 Arapahoe Rd Lafayette, CO 80026

Kathryn O. Bomholt 2664 S Troy Court Aurora, CO 80014

Verity Land Company #3, LLC P.O. Box 82219 Oklahoma City, OK 73148

Carver E&P, LLC P.O. Box 46063 Denver, CO 80201-6063

NipNTuck, LLC 1346 Candleridge Drive Boise, ID 83712 Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202

Michael Warren, Energy Liaison Colorado Parks and Wildlife Northwest Regional Office 711 Independent Avenue Grand Junction, CO 81505

Kent Kuster
Oil & Gas Consultant
Coordinator
Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

David Bauer Weld County 1111 H Street Greeley, CO 80632

# BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF THE APPLICATION OF CARRIZO OIL AND GAS, INC., FOR AN ORDER ALLOWING UP TO SIX Cause No.  HORIZONTAL WELLS IN EACH OF THREE OF THE NIOBRARA FORMATION COCATED IN SECTIONS 25, 26, AND 35, TOWNSHIP 8 NORTH, RANGE 60 WEST IN OWNSHIP 8 NORTH, RANGE 60 WEST IN OWNSHIP 8 NORTH, COLORADO OF THE NIOBRARA OF TH
AFFIDAVIT OF MAILING
STATE OF COLORADO ) )ss.
CITY AND COUNTY OF DENVER )
Kenneth E. Warner, of lawful age, and being first duly sworn upon his oath states and declares:
That he is the attorney for Carrizo Oil and Gas, Inc., that on or before January 30, 2013, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.
Kenneth E. Warner
Subscribed and sworn to before me January <u>23</u> , 2013.
Witness my hand and official seal.
My commission expires: 10-04-13
PUBLIC OF Notary Public